

PAUL N. McCLOSKEY, JR.
12TH DISTRICT, CALIFORNIA

COMMITTEE ON
GOVERNMENT OPERATIONS
AND
COMMITTEE ON
MERCHANT MARINE
AND FISHERIES

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Congress of the United States
House of Representatives
Washington, D.C. 20515

205 CANNON BUILDING
WASHINGTON, D.C. 20515
(202) 225-4111

DISTRICT OFFICE
305 GRANT AVENUE
PALO ALTO, CALIFORNIA 94306
(415) 326-7003
(408) 275-7002

STAT

August 14, 1978

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STAT

[Redacted]
Deputy Legislative Counsel
Central Intelligence Agency
Washington, D.C. 20505

STAT

Dear [Redacted]

I am intrigued by the enclosed letter from an obviously informed constituent about the possible succession of Yuri V. Andropov to the position now held by Leonid Brezhnev.

Can you have a staff member review this letter and comment on it for me?

Many thanks.

Sincerely,



Paul N. McCloskey, Jr.

PNMcC:Kk

Enclosure

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Congressman PETE McCLOSKEY
305 Grant Avenue
Palo Alto, California

July 31st, 1978

Dear Congressman McCloskey,

I would like briefly to bring to your attention a matter which I believe you will find of the utmost importance in terms of the national security.

It concerns Yuri V. Andropov, the director of the Soviet secret police -- the KGB -- and the degree to which, in preparation for what seems certain to be major-level armed aggression against the West, Andropov and his KGB have taken over a far greater percentage of the Soviet political reality than practically anyone is as yet aware is the case.

This is particularly so with respect to the Soviet military establishment. Here, Andropov appears to have achieved a greater degree of control than any secret police chief in the history of the USSR.

In September of 1976, Andropov became a full General of the Army of the USSR. This is the second-highest direct military command rank. Only Brezhnev's own rank of Marshal of the USSR is higher.

This, Andropov added to his positions as director of the KGB and as a full voting member of the Politburo. Andropov thusly became the first secret police chief since Beria to put together a three-sided power base -- Beria, himself was the first secret police chief ever to have a direct military command rank, which was as Marshal, and was second only to Stalin's own special rank of Generalissimo. Side one, his KGB post, he took in 1967; Side two, his Politburo seat, he took in 1973; and Side three, the military position, he took, again, in 1976.

Moreover, while Beria's three-sided base never featured all three sides acting simultaneously, Andropov's does -- making him, unquestionably, the single most powerful secret policeman in the history of the USSR.

One would think, especially in view of these latest adverse developments in the USSR, that Andropov's name would be on the most-quoted list, geopolitically speaking, yet, as he builds his base and prepares to succeed Brezhnev, practically nothing at all is known of him.

As one example, I am enclosing herein a copy of page 25 of the issue of TIME of February 6th, 1978. Here, Andropov's KGB and Politburo positions are mentioned, yes, and even in comparison with Beria's own situation.

July 31st, 1978

Two

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one-half years after it was obtained!

In that the seminal dynamic of Soviet history lies primarily in the continuing conflict between the secret police and the military, one would think that Henry Kissinger, who was in charge of the national security estimates during the time of Andropov's accession to this rank, would have included this information in those estimates -- and that the NSC would now be dealing with the Andropov reality far and away beyond any other in the USSR.

The fact of that accession, I must add, was not exactly a secret when it occurred. To verify that it was announced officially, I am enclosing herein copies of pages one and eight from the issue of October 13th, 1976, of the CURRENT DIGEST OF THE SOVIET PRESS, showing that Andropov's rank was reported in PRAVDA on September 11th, 1976, and in Izvestia the following day.

Moreover, I have recently received verbal confirmation from the Soviet desk in State Department intelligence that this fact is on file there. Hence, one would assume that Kissinger would have known about it from the moment it was officially announced from the Russian side, and would have begun to factor it immediately into his national security estimates of the Soviet reality.

One would also assume that Dr. Brzezinski, whose work at Harvard dealt with the same Stalinist purges which Beria was so much a part of, would also be aware of these facts and would be making his estimates as a result of their ramifications.

I wonder, therefore, if your office might make of both Dr. Kissinger and Dr. Brzezinski a formal enquiry as to whether they are, first of all, aware of the fact of Andropov's rank of General of the Army of the USSR -- on an active basis as per the award of September 10th, 1976 -- and, second, if they have factored this into their estimates.

It seems impossible that they are not, yet, sometimes it is possible to overlook something. And if they were aware, and had indeed factored this data into their estimates, I daresay neither would mind formally acknowledging to you that they have input to the NSC data which is so much a matter of public record -- in the USSR.

I am also enclosing herein a copy of a Los Angeles TIMES article of July 25th, 1978, by Joseph Kraft, in which he states that the Brezhnev government is no longer able to control the KGB -- and implies, thusly, that the KGB is controlling Brezhnev.

I would also like to know if it is possible to get this letter, itself, into the Congressional RECORD.

Very sincerely yours,

Kurt Wurde
KURT WURDEMAN

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Migration Studied in Soviet North, East

NORTHERN TYUMEN PROVINCE

POPULATION FORMATION IN THE TYUMEN NORTH. (By Candidate of Geography

T. G. Gaponova, junior research associate at Novosibirsk State University. *Sotsiologicheskiye issledovaniya* [Sociological Research], No. 2, April-May-June, pp. 58-66. 2,300 words. Abstract: Migration is the most important factor in population formation in northern Tyumen Province, one of the country's leading petroleum- and gas-producing regions. In 1960-1974, the area's total number of in-migrants and out-migrants was about 4 million. Unfortunately, only about one-fifth of those who come to this developing region remain for any length of time. Relocation in the North—or out of it—costs more than 500 rubles per worker, and the fact that intensive migration there essentially reflects a high rate of labor turnover makes things even worse.

Abstract

Of those who migrated to 12 basic centers of natural-resource development* in the Tyumen North in 1969, 32.5% came from other parts of Western Siberia, 20% from the Urals, 10% from the Volga area and 5.9% from the Ukraine. In the same year, 36.9% of all those who left the Tyumen North went to other parts of Western Siberia, 17.8% to the Urals, 6.8% to the Volga area and 6.5% to the Ukraine. There were few migrants from outside the Russian Republic, with the two exceptions of the Ukraine and Kazakhstan. The in-migration of rural people from other republics was particularly small, one reason being that a large part of the non-Russian rural population has a poor command of the Russian language.

The migration balance is the difference, positive or negative, between in-migration and out-migration for a given region. Table 1 shows the percentage of this [positive] balance for the Tyumen North contributed by several other regions in 1965, 1967 and 1969, and also the number of people leaving the Tyumen North each year per 100 people coming to that area. Although rapid development has occurred since that time, I feel that these figures are still significant.

The table shows that in 1967 and 1969 the country's labor-deficit eastern regions (the Urals, Western Siberia, Kazakhstan,

Eastern Siberia and the Far East) provided more than 70% of the migration-caused population increase in the Tyumen North. This is unacceptable, since these regions need more workers and long-range plans call for their priority development. The labor shortage in Western Siberia's agriculture is critical, yet 60% of those migrating to the Tyumen North from other parts of Western Siberia come from the countryside. As the urban population in the petroleum-producing regions of Western Siberia increases, the region's demand for agricultural products rises. But at the beginning of the Eighth Five-Year Plan only 70% of the manpower needs of its collective farms and state farms were being met. Out migration from rural Western Siberia is continuing—in 1970 alone the rural population there decreased by 3%, the largest decrease for any region of the country.

Western Siberia as a whole has had a negative interregion migration balance for a long time. In 1963-1972, the region lost 835,000 people. The highest negative balances in population exchange were with the Ukraine, North Caucasus, Central Asia and Central Economic Regions. This was true despite

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*The cities of Surgut, Nizhnevartovsk, Nefteyugansk, Ural and Salekhard and the settlements of Megion, Igrim, Pionersky, Komsomolsky, Sovetsky, Labytnangi and Tazovsky. The 1965 figures in the tables include data for only Surgut, Nizhnevartovsk, Nefteyugansk, Igrim and Pionersky.

The Soviet secret service is getting bigger—and better

Panama City, Fla., 1971: Carrying a hefty attaché case, U.S. Air Force Sergeant Walter T. Perkins walks to a commercial jet destined for Mexico City, where he plans to rendezvous with an agent of the KGB, the Soviet intelligence service. In the attaché case are top-secret U.S. plans for defense against a Soviet air attack. Air Force security men arrest Perkins as he boards, and his KGB contact, Oleg Shevchenko, flees Mexico for Cuba.

Damascus, Syria, 1974: Hidden KGB cameras click softly, and a secret microphone records the tender dialogue as an Arab diplomat dallies with a male paramour in the city's infamous Turkish baths. Threatened afterward with disclosure of his homosexuality, the diplomat agrees to pass information to the KGB.

Jerusalem, 1976: The Patriarch of the Russian Orthodox Church makes his pilgrimage from Moscow to the Russian Orthodox Church in Israel, the sole building in that country allowed to remain in Soviet hands after Israel's 1967 break with the U.S.S.R. Accompanying the Patriarch on his mission, as usual, is a squad of KGB agents bearing communications equipment and funds for local agents. Vladimir Ribakov, the administrative manager of the church in Jerusalem, is the KGB's chief agent in Israel.

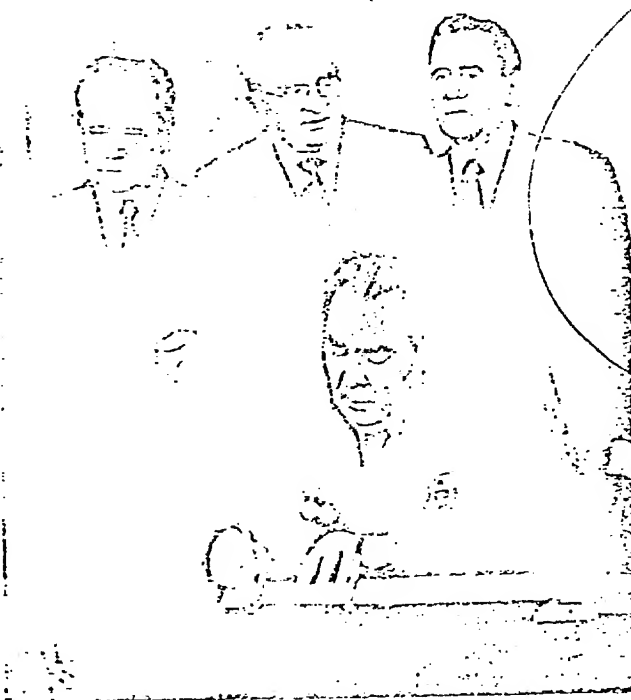
These are only a few of the thousands of known incidents that shed a sliver of light on the sweep of Soviet intelligence activities round the world. Western authorities view the KGB as a worthy and persistent foe. Says a former high CIA and State Department official: "They're a lot better than we think. I think they're damn good."

The KGB's budget has grown to an estimated \$10 billion (v. the \$7 billion that the U.S. spends on the CIA, NSA and other intelligence agencies), and its roster, which approaches half a million employees, has grown dramatically since 1974. Western experts believe it has five times as many people involved in foreign intelligence as the CIA and Western European spy agencies combined.

A major European intelligence service claims 24% of the Soviet diplomats accredited to embassies in Western Europe are KGB agents; there are 87 such agents accredited in West Germany, 53 in Italy and 98 in Finland. About 35% of the 126 diplomats accredited to the Soviet embassy in Washington are believed to be KGB agents, and others serve as Tass corre-

spondents, trade representatives and employees of the Soviet Airlines.

International agencies, including the U.N., are another favorite KGB cover. European intelligence experts estimate that 105 to 135 KGB agents are assigned to the U.N. in Europe. One is Alexander Benyaminov, appointed in 1976 to the data processing section of the International Atomic Energy Agency, a post that puts him in contact with those who possess nuclear secrets. Often the Soviet ambassador to a country is a full-fledged KGB agent. In Greece, he is Ivan Udaltsov, who, while serving as counselor at the Soviet embas-



KGB's Andropov (standing, center), Trade Minister Patolichev (left) and Foreign Minister Gromyko with Brezhnev in 1976

They fear they will be blamed for missing something.

sy in Prague, helped to crush the Czech reform regime of Alexander Dubček in 1968. Three months after he arrived in Athens in 1976, Ambassador Udaltsov was accused of funneling \$25 million to the Greek Communist Party; unfazed, he called a press conference to declare: "I was not upset by those reports. The KGB is a highly respected organization set up by Lenin to protect the socialist revolution and the Soviet state."

Indeed it is. The KGB center, as its command complex of buildings is called, is located only a few blocks from the Kremlin—at 2 Dzerzhinsky Square. The four, ochre-colored buildings look down on the Polish Theater and the entrance to Red Square. The agency has a huge network of informers within the U.S.S.R., and it

dissidents. Loyalists of Stalin's purges, such as Grigori Zinoviev and Lev Kamenov, were executed. The Dzerzhinsky Square complex of buildings.

The KGB (the Russian abbreviation for Committee for State Security) is a descendant of secret police agencies maintained over the centuries by anxious Russian czars; after the 1917 Bolshevik Revolution, the Communists called their secret police, successively, the CHEKA, GPU, OGPU, GUC/NKVD and MGB, the KGB's forerunner. Today the agency has a force of 300,000 men under arms to guard Soviet borders, as well as a corps of customs agents. *Interpol* works closely with the KGB; tourist guides can steer chosen visitors to restaurants that have hidden microphones.

The KGB's boss, Yuri Andropov, took command in 1967, and in 1973 became the first KGB head since Stalin's dreaded Lavrenti Beria to join the ruling Politburo. Andropov, 63, is said to admire modern art and to be a witty conversationalist who speaks fluent English—a portrait that contrasts with his harsh actions as Moscow's Ambassador to Hungary during the 1956 uprising. Under Andropov, says one Western analyst, "the thugs are being weeded out of the KGB."

The KGB recruits from the elite of the Soviet Union's managerial class by means of an Old Boychil network. Picked for loyalty, intelligence, presence and family connections to the party and the agency, KGB recruits are often sent to Moscow's prestigious Institute for International Studies for intensive courses in foreign cultures and languages. KGB agents are given preference for scarce apartments in Moscow and buy such rare foreign goods as stereos and Scotch at give-

away prices. They socialize with each other and often intermarry.

"The really boring Russian diplomats are not KGB," says one Western intelligence agent. The KGB man often wears Western suits (veterans of U.S. service for Brooks Brothers). He—or she—entertains freely, and spends more money than non-KGB apparatchiks.

Abroad, the most sociable KGB agents pose not only as diplomats but also as trade representatives and journalists. Their mission: gathering scientific and technical as well as military and political information. It is pursued directly by visiting employees, journalists and politicians to lunch or parties, and also by covert means.

In the field, KGB agents prepare annual plans that project, among o-

In 'Spy' Cases, U.S. Should Test Brezhnev

Carter Must Stand Firm on Crawford and Force Soviets to React

BY JOSEPH KRAFT

The tit-for-tat game of reprisals currently being played by Russia and the United States presents peculiar dangers at this time. For neither the Brezhnev regime nor the Carter regime is in a strong position to control its own security apparatus, as the cops are now called.

So it is important to try to build a floor under the downward spiral in Big Two relations. In that connection it makes sense to pay attention to a case that has been perhaps bungled—the case of the International Harvester man in Russia, Francis J. Crawford.

The Crawford case began toward the end of May when two Russians—Valdik Enger and Rudolf Chernyayev—attached to the U.N. Secretariat were arrested on charges of trying to buy data on this country's antisubmarine warfare program. Contrary to usual practice in Soviet spy cases, they were booked with great publicity and held on a bail of \$2 million each. The unusual publicity—and maybe the steep bail—suggests that the FBI, which has not been in the best repute these days, was trying to win some rave notices.

Crawford was arrested in Moscow on June 21 in what was clearly a reprisal. The KGB showed how little it was under restraint by dragging him out of a car, and then being confused as to whether the charge was smuggling or, as proved the case, illegal currency dealing. On June 26, in what looked like a bargain, the two Russians and Crawford were released to the custody of their respective embassies with the understanding they would be available for trial later.

In fact there is no symmetry between the two cases whatsoever. The two Russians were KGB men apparently engaged in a dangerous and dirty profession. They seem to have abused the United Nations as a cover for espionage.



Leonid I. Brezhnev

Drawing: George Rebb

posture to resist KGB pressure.

Crawford, whom I saw recently in Moscow, is a private citizen working for a reputable company which has built up over many years a good record in doing business with the Soviet Union. His colleagues and competitors assert his innocence, and so, after at first being suspicious, does International Harvester. Even if he were guilty, his purely private civilian activities have nothing in common with the spook business.

That distinction needs to be made publicly and with great force. It ought, preferably, to be made by the private business community. For American business to hold when it comes to cuffing around the Carter Administration, has a vital interest in dispelling the widespread suspicion that it is chicken when the

Russians crack down.

Even if the business community does not make the point, however, the U.S. government should. For not only is there no symmetry, there can be no trade of an American businessman against two Russian spies. More important, underlining the difference, gives the President high ground to stand on in the game of tit-for-tat.

Up to now, President Carter has been largely reacting. Because he is on the defensive at home for not standing up to the Communists, he has had to take retaliatory steps every time the Russians moved. Thus he felt obliged, when the trials of the dissidents Anatoly Shcharansky and Alexander Ginzburg were opened two weeks ago, to cancel a scientific mission due to go to Moscow.

When the two men were sentenced, he felt obliged to cancel the sale of a giant computer to Russia, and to hold up the sale of oil-drilling equipment. He was under great pressure to postpone the arms-control talks at Geneva, which in fact turned out to be quite productive.

Instead of reacting, Carter needs to force the Russians to react. The Crawford case holds out that opportunity. For the Administration can tell the Russians that while it is ready to consider trades of many prisoners, Crawford cannot be part of a bargain involving spies. Rather than give way on that point, the Administration should be prepared to notify all private firms that it cannot be responsible for the safety of American businessmen in Moscow, who will henceforth go at their own risk.

That threat, which the Administration could easily back up, has to be taken seriously by the Russians. Making it would thus put the President in a position to hold the Soviet Union to account without endangering interests in arms control and other matters which go beyond the individuals Moscow so callously

production organizer, greatly needed by a local factory from another city for family reasons but cannot be hired because he is not registered in the local reserve. Is it right that a superior candidate for an executive position? Isn't there a better way? Imagine that a member of the staff comes to the director and asks to be appointed to a managerial vacancy — or goes to the ministry itself and says that X Factory needs a director and he wants to apply. Such an applicant would be considered immodest or even out of his mind. But, when you stop to think about it, why?

We are not embarrassed at the thought that scientific laboratory directors are appointed by competition that anyone may enter. After the learned council votes on the applicants, the winner is appointed. (Critics point out that we lack criteria in such competitions and that those voting need not, even anonymously, justify their choice.) Why not, then, hold competitions for executive vacancies also, perhaps announcing beforehand the qualities that applicants should possess? Why not ask applicants to submit their proposed program of activity in the new job and judge by their programs? And shouldn't we seek the opinion of the applicants' future subordinates — and subordinates in their previous jobs as well? Perhaps some positions should be made elective.

Economic law has to provide recipes broad enough to be generally applicable yet specific enough to be followed and enforced. Is management science today prepared to offer the lawmaker properly grounded criteria? It seems to me that although experiments in training and appointing executives are being made, their scientific generalization leaves something to be desired.

The law has to have many levels. We could construct legislation on state service and executive appointment by that method: set forth general principles in a nationwide statute on the economic executive, more detailed rules in laws of republics and still more detailed features in administrative regulations of agencies and ministries.

Standards of competence could be formulated and certified by testing and issuing diplomas, as in any profession; we already have management courses giving the fundamentals of the theories of organization, information, decision-making, and so on. The age criterion presents difficulty: Should we set minimum and maximum age limits for directors or assistant directors? Perhaps the optimal age varies with the individual. There are many opinions on this, but I would not risk elevating any of them into law. And what about tests? Tests are used on every occasion in the West — often simply to get rid of the unwanted. I don't oppose testing, I merely warn that in the wrong hands it could be dangerous. We must give careful thought to the extent to which tests should be established in law and how they can best serve their purpose.

sons remote from talent. A foreign colleague told the story of three applicants who were asked how much two times two was. One answered four. "Shows precision and accuracy," the judge said. The second said 22. "Wonderful! Such vision! Such scope!" "Whom are we to pick, then?" the judge was asked. "The one who said eight." "Why?" "Because he's the Burgomeister's nephew."

I recounted the story to the head of a trust. Sometimes, he said, it isn't bad to hire "the Burgomeister's nephew" — he himself had hired a planning department head who was "minus zero," he declared, but was the brother-in-law of the head of the entire ministry's planning division. "And this," he added smiling, "pays off." To get the work done, they gave the newly hired man an assistant.

The practice of hiring persons recommended by acquaintances has been condemned repeatedly, but survives. All executive positions, in the end, are filled by someone's recommendation. The problem is to establish legal regulation of the system of recommendations, pairing recommendations with records of achievement in previous jobs, questionnaires, tests, diplomas, etc. Recommendations should be written, and the person signing them should take responsibility for their truthfulness.

To sum up — we do need legislation, in principle, to regularize the procedure for training, promotion and appointment of executives.

THE SLOWER YOU GO, THE FARTHER YOU GET — (By F. Grigoryev, engineer. Literaturnaya gazeta, Sept. 15, p. 10. 750 words. Abstract:) Do we need legal regulation of executive appointment? Yes. Should we hurry? No. We're not ready for it. The demand for good managers greatly exceeds the supply, and so we are not ready. One reason why we are acutely short of executive personnel is that the technical institutes train only specialists and not managerial talent. Another reason is that the prestige of economic managers is sometimes low, particularly on the lower rungs of the career ladder. In view of the sharp shortage of worthy applicants, attempts legally to stiffen the requirements would mean only that many of those appointed would have to be designated under the law as "acting managers" and would carry this label for many years. The effect would be detrimental to the economy, the collective and the executive. We should remember the dialectics law of quantitative change becoming qualitative change. First, greatly speed the training of reserves for promotion. Only when the number of well-trained and thoroughly tried candidates grows should we introduce elements of a system for selecting them.

(Continued on Page 24)

Andropov, Shchelokov Now Generals of the Army

DECREE OF PRESIDIUM OF USSR SUPREME SOVIET. — Conferring the Military Rank of General of the Army on Comrade Yu. V. Andropov. (Pravda, Sept. 11, p. 1; Izvestia, Sept. 12. Complete text:) The Presidium of the USSR Supreme Soviet resolves:

To confer the next highest military rank, general of the army, on Comrade Yuri Vladimirovich Andropov.*

N. PODCORNÝ,
Chairman of the Presidium,
USSR Supreme Soviet.
M. GEORGADZE,
Secretary of the Presidium.

The Kremlin, Moscow, Sept. 10, 1976.

*[Member of the Politburo of the CPSU Central Committee and Chairman of the USSR Council of Ministers' State Security Committee.]

DECREE OF PRESIDIUM OF USSR SUPREME SOVIET. — Conferring the Military Rank of General of the Army on Comrade N. A. Shchelokov. (Pravda, Sept. 11, p. 1; Izvestia, Sept. 12. Complete text:) The Presidium of the USSR Supreme Soviet resolves:

To confer the next highest military rank, general of the army, on Comrade Nikolai Anisimovich Shchelokov.*

N. PODCORNÝ,
Chairman of the Presidium,
USSR Supreme Soviet.
M. GEORGADZE,
Secretary of the Presidium.

The Kremlin, Moscow, Sept. 10, 1976.

*[Member of the CPSU Central Committee and USSR Minister of Internal Affairs.]